

Environmental and Public Protection

Natural Resources

	Revised FY 2006	Requested FY 2007	Requested FY 2008	Recommended FY 2007	Recommended FY 2008
SOURCE OF FUNDS					
General Fund					
Regular Appropriation	14,298,600	21,589,700	22,600,900	14,895,300	14,895,700
Salary Compensation Fund	597,100				
Base Deduction	-915,500				
Total General Fund	13,980,200	21,589,700	22,600,900	14,895,300	14,895,700
Tobacco Settlement-Phase I					
Tobacco Settlement - I	9,000,000	9,000,000	9,000,000	5,000,000	6,000,000
Continuing Appropriation	5,966,900				
Budget Reduction	-630,000				
Total Tobacco Settlement-Phase I	14,336,900	9,000,000	9,000,000	5,000,000	6,000,000
Restricted Funds					
Balance Forward	3,705,000	2,899,300	1,421,200	3,327,600	1,467,700
Current Receipts	2,649,200	2,733,100	2,733,100	2,733,100	2,733,100
Non-Revenue Receipts	3,480,300	1,658,600	1,820,100	1,111,300	1,768,300
Fund Transfers	-247,900				
Total Restricted Funds	9,586,600	7,291,000	5,974,400	7,172,000	5,969,100
Federal Funds					
Current Receipts	9,319,500	9,620,200	9,620,400	9,286,400	9,281,900
Non-Revenue Receipts	-153,200	-152,300	-152,500	-152,300	-152,500
Total Federal Funds	9,166,300	9,467,900	9,467,900	9,134,100	9,129,400
TOTAL SOURCE OF FUNDS	47,070,000	47,348,600	47,043,200	36,201,400	35,994,200
EXPENDITURES BY CLASS					
Personnel Cost	15,072,500	18,136,700	19,186,900	15,733,800	16,097,600
Operating Expenses	3,685,500	4,236,900	4,247,400	3,760,800	3,755,600
Grants, Loans or Benefits	23,965,700	21,910,600	21,792,500	14,539,100	15,358,400
Capital Outlay	1,018,700	1,643,200	1,667,000	700,000	700,000
TOTAL EXPENDITURES	43,742,400	45,927,400	46,893,800	34,733,700	35,911,600
EXPENDITURES BY FUND SOURCE					
General Fund	13,980,200	21,589,700	22,600,900	14,895,300	14,895,700
Tobacco Settlement-Phase I	14,336,900	9,000,000	9,000,000	5,000,000	6,000,000
Restricted Funds	6,259,000	5,869,800	5,825,000	5,704,300	5,886,500
Federal Funds	9,166,300	9,467,900	9,467,900	9,134,100	9,129,400
TOTAL EXPENDITURES	43,742,400	45,927,400	46,893,800	34,733,700	35,911,600
EXPENDITURES BY UNIT					
Commissioner	384,300	424,000	441,600	384,300	384,700
Forestry	17,754,200	22,193,800	22,978,600	17,834,400	18,083,300
Forest Fire Suppression	240,000	240,000	240,000	240,000	240,000
Technical and Administrative Support	1,109,300	1,403,700	1,468,000	1,298,600	1,323,000
Conservation	22,548,600	19,515,800	19,517,000	13,172,600	14,047,600
Oil and Gas	1,706,000	2,150,100	2,248,600	1,803,800	1,833,000
TOTAL EXPENDITURES	43,742,400	45,927,400	46,893,800	34,733,700	35,911,600

The Department for Natural Resources' mission is to preserve, protect, and enhance the Commonwealth's natural land resources.

**Environmental and Public Protection
Natural Resources
Commissioner**

	Revised FY 2006	Requested FY 2007	Requested FY 2008	Recommended FY 2007	Recommended FY 2008
SOURCE OF FUNDS					
General Fund					
Regular Appropriation	378,500	424,000	441,600	384,300	384,700
Salary Compensation Fund	6,200				
Base Deduction	-400				
Total General Fund	384,300	424,000	441,600	384,300	384,700
TOTAL SOURCE OF FUNDS	384,300	424,000	441,600	384,300	384,700
EXPENDITURES BY CLASS					
Personnel Cost	285,400	323,200	340,800	288,700	293,100
Operating Expenses	98,900	100,800	100,800	95,600	91,600
TOTAL EXPENDITURES	384,300	424,000	441,600	384,300	384,700
EXPENDITURES BY FUND SOURCE					
General Fund	384,300	424,000	441,600	384,300	384,700
TOTAL EXPENDITURES	384,300	424,000	441,600	384,300	384,700

The Office of the Commissioner provides leadership, policy direction and management for the Department for Natural Resources. The Office also provides administrative oversight for the Kentucky Heritage Land Conservation Fund Board, the Biodiversity Council, and the Forestry Best Management Practices Board.

Environmental and Public Protection

Natural Resources

Forestry

	Revised FY 2006	Requested FY 2007	Requested FY 2008	Recommended FY 2007	Recommended FY 2008
SOURCE OF FUNDS					
General Fund					
Regular Appropriation	9,970,600	14,384,100	15,142,300	10,426,400	10,426,400
Salary Compensation Fund	455,800				
Base Deduction	-550,000				
Total General Fund	9,876,400	14,384,100	15,142,300	10,426,400	10,426,400
Restricted Funds					
Balance Forward	1,187,800	1,287,600	731,800	1,660,300	704,600
Current Receipts	1,188,000	1,351,500	1,351,500	1,351,500	1,351,500
Non-Revenue Receipts	2,005,900	196,500	196,500	-303,500	196,500
Fund Transfers	-247,900				
Total Restricted Funds	4,133,800	2,835,600	2,279,800	2,708,300	2,252,600
Federal Funds					
Current Receipts	5,550,800	5,852,400	5,852,400	5,550,800	5,550,800
Non-Revenue Receipts	-146,500	-146,500	-146,500	-146,500	-146,500
Total Federal Funds	5,404,300	5,705,900	5,705,900	5,404,300	5,404,300
TOTAL SOURCE OF FUNDS	19,414,500	22,925,600	23,128,000	18,539,000	18,083,300
EXPENDITURES BY CLASS					
Personnel Cost	10,778,000	12,919,800	13,696,100	11,132,600	11,383,700
Operating Expenses	2,841,000	3,290,300	3,299,900	2,877,800	2,875,600
Grants, Loans or Benefits	3,124,000	4,395,500	4,372,200	3,124,000	3,124,000
Capital Outlay	1,011,200	1,588,200	1,610,400	700,000	700,000
TOTAL EXPENDITURES	17,754,200	22,193,800	22,978,600	17,834,400	18,083,300
EXPENDITURES BY FUND SOURCE					
General Fund	9,876,400	14,384,100	15,142,300	10,426,400	10,426,400
Restricted Funds	2,473,500	2,103,800	2,130,400	2,003,700	2,252,600
Federal Funds	5,404,300	5,705,900	5,705,900	5,404,300	5,404,300
TOTAL EXPENDITURES	17,754,200	22,193,800	22,978,600	17,834,400	18,083,300

The Division of Forestry provides technical assistance on sound forest management practices to private woodland owners; acquires new state forest land and reforests idle or unproductive land. The Division protects the Commonwealth's 11.9 million acres of forest resources from forest fires, disease, and insects.

Policy

Notwithstanding KRS 149.280(2) and KRS 149.670, in fiscal year 2006 the Division of Forestry shall transfer \$247,900 in Restricted Funds to the credit of the General Fund.

Notwithstanding KRS 149.280(2) and KRS 149.670, in fiscal year 2007 the Division of Forestry shall transfer \$500,000 in Restricted Funds to the Department for Environmental Protection, Division of Maxey Flats for the Deep Well Monitoring System capital project.

Environmental and Public Protection**Natural Resources****Forest Fire Suppression**

	Revised FY 2006	Requested FY 2007	Requested FY 2008	Recommended FY 2007	Recommended FY 2008
SOURCE OF FUNDS					
General Fund					
Regular Appropriation	240,000	240,000	240,000	240,000	240,000
Total General Fund	240,000	240,000	240,000	240,000	240,000
TOTAL SOURCE OF FUNDS	240,000	240,000	240,000	240,000	240,000
EXPENDITURES BY CLASS					
Personnel Cost	240,000	240,000	240,000	240,000	240,000
TOTAL EXPENDITURES	240,000	240,000	240,000	240,000	240,000
EXPENDITURES BY FUND SOURCE					
General Fund	240,000	240,000	240,000	240,000	240,000
TOTAL EXPENDITURES	240,000	240,000	240,000	240,000	240,000

The Division of Forestry, pursuant to KRS 149.010, provides for organized fire protection. Nine Division of Forestry districts perform wildland fire detection, suppression and law enforcement activities. The Division supplements its fire suppression capacity by training and equipping rural fire departments. The Division also uses Department of Corrections crews and Kentucky National Guard personnel and equipment during fire emergencies.

Policy

General Fund baseline resources of \$240,000 annually are provided to the Division for emergency fire suppression costs. Language contained in the appropriations bill declares that expenditures in excess of this amount are eligible for "necessary governmental expense" funds to be paid from the General Fund Surplus Account (KRS 48.700) or the Budget Reserve Trust Fund (KRS 48.705).

**Environmental and Public Protection
Natural Resources
Technical and Administrative Support**

	Revised FY 2006	Requested FY 2007	Requested FY 2008	Recommended FY 2007	Recommended FY 2008
SOURCE OF FUNDS					
General Fund					
Regular Appropriation	257,800	350,000	400,400	290,900	290,900
Salary Compensation Fund	33,100				
Base Deduction	-128,200				
Total General Fund	162,700	350,000	400,400	290,900	290,900
Restricted Funds					
Balance Forward	254,500	147,400		165,000	16,300
Non-Revenue Receipts	857,100	906,300	1,067,600	859,000	1,015,800
Total Restricted Funds	1,111,600	1,053,700	1,067,600	1,024,000	1,032,100
TOTAL SOURCE OF FUNDS	1,274,300	1,403,700	1,468,000	1,314,900	1,323,000
EXPENDITURES BY CLASS					
Personnel Cost	933,900	1,213,100	1,276,500	1,121,400	1,144,800
Operating Expenses	175,400	190,600	191,500	177,200	178,200
TOTAL EXPENDITURES	1,109,300	1,403,700	1,468,000	1,298,600	1,323,000
EXPENDITURES BY FUND SOURCE					
General Fund	162,700	350,000	400,400	290,900	290,900
Restricted Funds	946,600	1,053,700	1,067,600	1,007,700	1,032,100
TOTAL EXPENDITURES	1,109,300	1,403,700	1,468,000	1,298,600	1,323,000

The Office of Technical and Administrative Support, pursuant to KRS 224.10-020, provides both administrative and technical support to all divisions and programs in the Department for Natural Resources. The Office is responsible for the development, coordination and implementation of all administrative processes within the Department including fiscal affairs, human resources, property management, purchasing, state and federal program administration. The Office also provides technical expertise to develop and implement state and federal regulations relating to surface mining, abandoned mine lands, oil and gas conservation, mine safety, forestry and conservation. The Office also coordinates information technology processes and applications within the Department in accordance with cabinet, state and federal guidelines. The Kentucky Heritage Land Conservation Fund is attached to and administered by the Office pursuant to KRS 146.570.

Environmental and Public Protection
Natural Resources
Conservation

	Revised FY 2006	Requested FY 2007	Requested FY 2008	Recommended FY 2007	Recommended FY 2008
SOURCE OF FUNDS					
General Fund					
Regular Appropriation	2,440,100	4,849,300	4,940,600	2,504,200	2,504,200
Salary Compensation Fund	64,100				
Base Deduction	-85,900				
Total General Fund	2,418,300	4,849,300	4,940,600	2,504,200	2,504,200
Tobacco Settlement-Phase I					
Tobacco Settlement - I	9,000,000	9,000,000	9,000,000	5,000,000	6,000,000
Continuing Appropriation	5,966,900				
Budget Reduction	-630,000				
Total Tobacco Settlement-Phase I	14,336,900	9,000,000	9,000,000	5,000,000	6,000,000
Restricted Funds					
Balance Forward	1,948,600	1,253,100	581,400	1,291,100	585,300
Current Receipts	756,600	677,000	677,000	677,000	677,000
Non-Revenue Receipts	617,300	555,800	556,000	555,800	556,000
Total Restricted Funds	3,322,500	2,485,900	1,814,400	2,523,900	1,818,300
Federal Funds					
Current Receipts	3,768,700	3,767,800	3,768,000	3,735,600	3,731,100
Non-Revenue Receipts	-6,700	-5,800	-6,000	-5,800	-6,000
Total Federal Funds	3,762,000	3,762,000	3,762,000	3,729,800	3,725,100
TOTAL SOURCE OF FUNDS	23,839,700	20,097,200	19,517,000	13,757,900	14,047,600
EXPENDITURES BY CLASS					
Personnel Cost	1,479,200	1,769,400	1,865,400	1,528,400	1,584,100
Operating Expenses	227,700	231,300	231,300	229,100	229,100
Grants, Loans or Benefits	20,841,700	17,515,100	17,420,300	11,415,100	12,234,400
TOTAL EXPENDITURES	22,548,600	19,515,800	19,517,000	13,172,600	14,047,600
EXPENDITURES BY FUND SOURCE					
General Fund	2,418,300	4,849,300	4,940,600	2,504,200	2,504,200
Tobacco Settlement-Phase I	14,336,900	9,000,000	9,000,000	5,000,000	6,000,000
Restricted Funds	2,031,400	1,904,500	1,814,400	1,938,600	1,818,300
Federal Funds	3,762,000	3,762,000	3,762,000	3,729,800	3,725,100
TOTAL EXPENDITURES	22,548,600	19,515,800	19,517,000	13,172,600	14,047,600

The Division of Conservation provides assistance to Kentucky's 121 conservation districts in the development and implementation of sound conservation programs to protect, enhance, and develop the Commonwealth's natural resources. The Division also develops educational activities; provides local conservation districts with financial assistance and equipment loans for conservation and water quality-related work on Kentucky lands; and provides administrative services to the State Soil and Water Conservation Commission. The Division also administers the Soil Conservation Technical Assistance program.

Policy

Phase I Tobacco Settlement Funds of \$5,000,000 in fiscal year 2007 and \$6,000,000 in fiscal year 2008 are provided for the state share of the Environmental Stewardship Program.

Environmental and Public Protection**Natural Resources****Oil and Gas**

	Revised FY 2006	Requested FY 2007	Requested FY 2008	Recommended FY 2007	Recommended FY 2008
SOURCE OF FUNDS					
General Fund					
Regular Appropriation	1,011,600	1,342,300	1,436,000	1,049,500	1,049,500
Salary Compensation Fund	37,900				
Base Deduction	-151,000				
Total General Fund	898,500	1,342,300	1,436,000	1,049,500	1,049,500
Restricted Funds					
Balance Forward	314,100	211,200	108,000	211,200	161,500
Current Receipts	704,600	704,600	704,600	704,600	704,600
Total Restricted Funds	1,018,700	915,800	812,600	915,800	866,100
TOTAL SOURCE OF FUNDS	1,917,200	2,258,100	2,248,600	1,965,300	1,915,600
EXPENDITURES BY CLASS					
Personnel Cost	1,356,000	1,671,200	1,768,100	1,422,700	1,451,900
Operating Expenses	342,500	423,900	423,900	381,100	381,100
Capital Outlay	7,500	55,000	56,600		
TOTAL EXPENDITURES	1,706,000	2,150,100	2,248,600	1,803,800	1,833,000
EXPENDITURES BY FUND SOURCE					
General Fund	898,500	1,342,300	1,436,000	1,049,500	1,049,500
Restricted Funds	807,500	807,800	812,600	754,300	783,500
TOTAL EXPENDITURES	1,706,000	2,150,100	2,248,600	1,803,800	1,833,000

The Division of Oil and Gas, pursuant to KRS Chapter 353, is responsible for the conservation of oil and gas resources of the Commonwealth and for the protection of correlative rights of mineral owners. The Division's mission is to prevent waste and unnecessary loss, to encourage the maximum recovery of oil and gas, to promote safety, and to prevent contamination of underground water resources. The Division is also charged with the collection of geological data obtained from the drilling of oil and gas wells for deposit in the Kentucky Geological Survey whose records are for public use. The Division also plugs abandoned wells.